

LOAN MANAGEMENT ACCOUNT®

Unlock the borrowing power of your investments



You can use your Loan Management Account® (LMA® account) as a cost-effective way to meet a variety of short- and long-term personal and/or business financing needs, including:



Residential and investment real estate purchases



Tax payments



Education costs



Luxury purchase



Debt consolidation



Business, startup or expansion or acquisitions

The LMA account offered by Bank of America, N.A. (the Bank), is a convenient, flexible way to borrow funds

- Total credit established by the Bank is based primarily on the combined value of all eligible assets used as collateral including eligible third-party accounts.
- Access credit through variable- or fixed-rate advances and standby letters of credit.
- Variable interest rates are based on the Base Rate plus a spread initially determined at the time the LMA account is established, and based on your relationship size.
- No set term, balance or minimum draws on variable-rate advances.¹
- Fixed rate loans are available from one month to five years.
- Easily access funds for personal and business financing needs using checks, FTS or Fedwire® transfers.
- Flexible repayment schedule as long as the required level of equity is maintained.
- Overdraft protection for eligible collateral accounts.²

Variable Interest Rate Calculation:
Relationship size loan spread + Base Rate,* reset weekly


Relationship Size	Loan Spread ^{*,**†}
\$100,000 – \$249,999	5.000%
\$250,000 – \$499,999	3.875%
\$500,000 – \$749,999	3.750%
\$750,000 – \$999,999	3.500%
\$1,000,000 – \$2,499,999	3.125%
\$2,500,000 – \$4,999,999	2.875%
\$5,000,000 – \$7,499,999	2.375%
\$7,500,000 – \$9,999,999	2.000%
\$10,000,000 – \$14,999,999	1.750%
\$15,000,000 – \$24,999,999	1.500%
\$25,000,000 – \$49,999,999	1.250%
\$50,000,000 – \$99,999,999	1.000%
\$100,000,000+/- \$	0.750%

*Base Rate is Overnight SOFR plus credit spread adjustment. Reference link to view [Overnight SOFR rate](#).

**Purpose loans are subject to an additional premium to account for higher cost of funds.

[†]Loan spread is a component of your overall rate and subject to change at the Bank's discretion.

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Banking products are provided by Bank of America, N.A., and affiliated banks, Members FDIC and wholly owned subsidiaries of BoFA Corp. Equal Housing Lender. 
Investment products:

Are Not FDIC Insured

Are Not Bank Guaranteed

May Lose Value

See next page for additional important disclosure information.

Understanding risks associated with your LMA account


Securities-based financing involves special risks. You should review your LMA Loan Agreement and related documents and disclosures carefully and consult with your own independent tax and legal advisors.

Some risks to consider include the following:

- A decline in the value of your collateral assets may require you to provide additional funds or securities to avoid a collateral maintenance call. You can lose more funds than are held in the collateral account. The LMA account is a full-recourse loan, and you will be liable for any deficiency.
- The Bank can force the sale or other liquidation of any securities or other investment property in the collateral account and, unless otherwise required by law, can do so without first contacting you.
- You are not entitled to choose which securities in the collateral account are liquidated or sold.
- The Bank can change its collateral maintenance requirement at any time without notice to you.
- You are not entitled to an extension of time to satisfy the Bank's collateral maintenance requirement.
- There may be adverse tax or other consequences to you if securities are sold or otherwise liquidated by the Bank.
- The LMA account is an uncommitted facility, although loans to individuals and trusts may be committed in an amount not to exceed \$100,000. The Bank may demand full or partial repayment at any time, and any commitment may be immediately terminated.
- For fixed-rate advances and term loans, principal payments made in advance of the end of the applicable fixed-rate period, whether voluntarily or involuntarily (due to demand or liquidation by the Bank) may be subject to a substantial breakage fee as determined by the Bank.
- Some restrictions on the use of LMA account proceeds may apply under the terms of your loan documents and applicable laws and regulations.

¹ Fees may apply for certain services or programs as set forth in the LMA Agreement.

² The LMA Account Overdraft Repayment Service provides protection in the collateral account for checking, ACH debits and delayed-debits Visa® activity. Contact your Merrill advisor for more information.

The Loan Management Account (LMA account) is a demand line of credit provided by Bank of America, N.A., Member FDIC. Equal Opportunity Lender . The LMA account requires a brokerage account at Merrill Lynch, Pierce, Fenner & Smith Incorporated and sufficient eligible collateral to support a minimum credit facility size of \$100,000. All securities are subject to credit approval, and Bank of America, N.A., may change its collateral maintenance requirements at any time. Securities-based financing involves special risks and is not for everyone. When considering a securities-based loan, consideration should be given to individual requirements, portfolio composition and risk tolerance, as well as capital gains, portfolio performance expectations and investment time horizon. The securities or other assets in any collateral account may be sold to meet a collateral call without notice to the client, the client is not entitled to an extension of time on the collateral call, and the client is not entitled to choose which securities or other assets will be sold. The client can lose more funds than deposited in such collateral account. The LMA account is uncommitted, and Bank of America, N.A., may demand full repayment at any time. A complete description of the loan terms can be found within the LMA account agreement. Clients should consult their own independent tax and legal advisors. Some restrictions may apply to purpose loans, and not all managed accounts are eligible as collateral. All applications for LMA accounts are subject to approval by Bank of America, N.A. For fixed-rate and term advances, principal payments made prior to the due date will be subject to a breakage fee.

Asset allocation, diversification and rebalancing do not ensure a profit or protect against loss in declining markets.

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